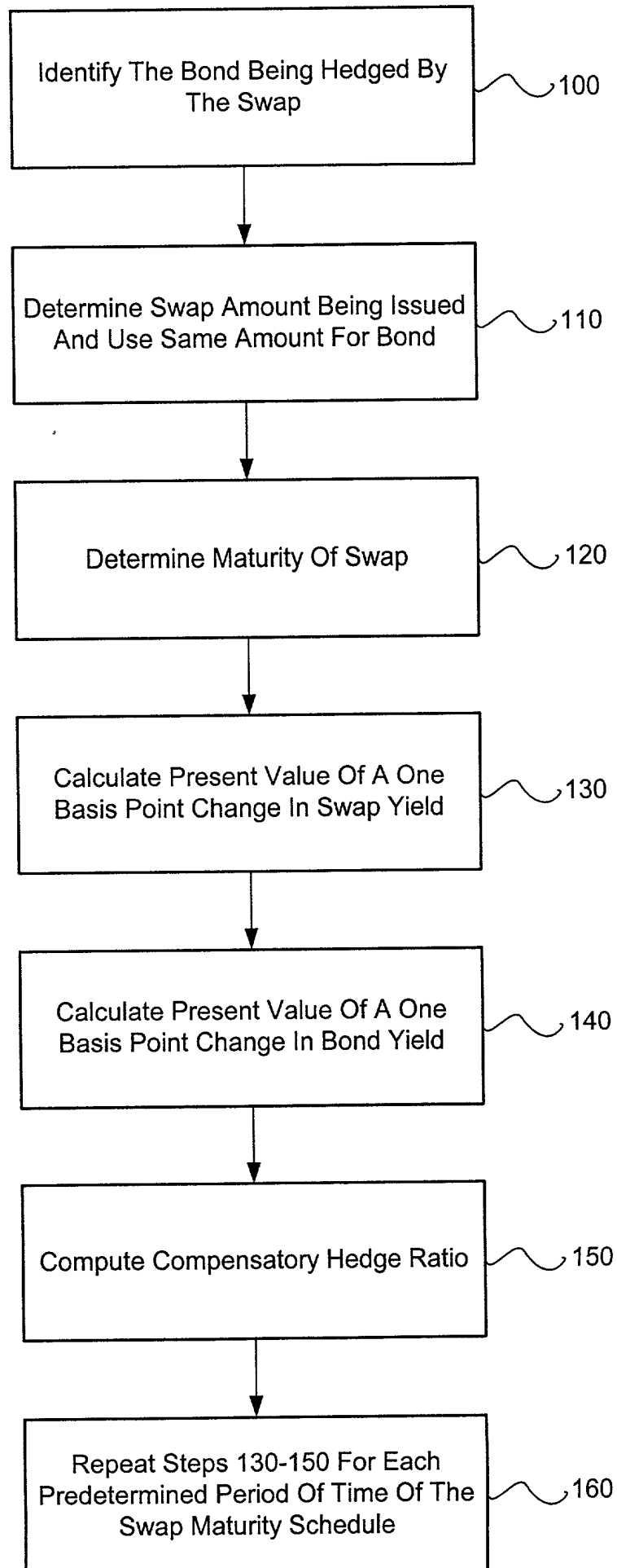


FIG. 1



bond's market value caused by an equal change in interest rates. The amount of bond being hedged will vary monthly to compensate for the differences in swap and bond valuation drivers.

The goal is to establish the hedge such that an interest rate change has a similar dollar impact on the swap MTM value and the bond market value. This is best expressed as the dollar value per basis point. Four hedging examples are summarized in the next chart. The detailed calculations are in the exhibit titled "Compensatory Ratio Analysis".

|                  | Value of 1 BP<br>At Initial Date | Value of 1 BP<br>With 12 Months Remaining |
|------------------|----------------------------------|---|
| <u>Exhibit 1</u> |                                  |   |
| 4 year Swap      | \$36,125                         | \$ 9,730                                  |
| 4 year Bond      | \$36,185                         | \$ 9,734                                  |
| <u>Exhibit 2</u> |                                  |   |
| 5 year Swap      | \$46,546                         | \$ 9,726                                  |
| 7 year Bond      | \$65,181                         | \$27,313                                  |
| <u>Exhibit 3</u> |                                  |   |
| 6 year Swap      | \$56,887                         | \$ 9,726                                  |
| 8 year Bond      | \$64,013                         | \$23,052                                  |

↑  
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↓

|                  |          |          |
|------------------|----------|----------|
| <u>Exhibit 4</u> |          |          |
| 7 year Swap      | \$54,921 | \$ 9,653 |
| 10 year Bond     | \$71,574 | \$36,005 |

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Hedge Ratio (Bond amount being hedged as a percentage of the swap notional amount):

|           | At Initial Date             | With 12 Months Remaining   |
|-----------|-----------------------------|----------------------------|
| Exhibit 1 | 99.8% (\$36,125 / \$36,185) | 100.0% (\$9,730 / \$9,734) |
| Exhibit 2 | 71.4% (\$46,546 / \$65,181) | 35.6% (\$27,313 / \$9,726) |
| Exhibit 3 | 88.9% (\$56,887 / \$64,013) | 42.2% (\$9,726 / \$23,052) |
| Exhibit 4 | 76.7% (\$54,921 / \$71,574) | 26.8% (\$9,653 / \$36,005) |

The hedge ratios are logical. An interest rate change has a greater dollar impact on a longer maturity bond. So, a lesser bond notional amount can be hedged by a given swap amount when the bond maturity is longer.

At the "initial date", we can use the hedge ratios to determine the bond notional being hedged. For example, a \$100 million swap in Exhibit 3 would hedge \$88.9 million bond notional. This should generate a "perfect" matching of swap and bond value volatility.

However, note the changing relationship when there is a maturity mismatch. Exhibit 2 shows an initially moderate mismatch (7 year bond versus 5 year swap gives a maturity ratio of 1.4 to 1). By the end of year 4, the maturity mismatch is wide (3 year bond versus a 1 year swap gives a maturity ratio of 3 to 1). We therefore need to vary the percentage hedging relationship between the bond and swap to maintain similar amounts

FIG.2

# EXHIBIT 1 DETAILS

WestLB swap #16 (maturing Feb 13-03) vs Cat Bond 6.00% maturing Feb-03

## Calculation of the Compensatory Hedge Ratio

Compensatory Hedge Ratio  
obtained by dividing Swap PV of 1BP  
by Bond PV of 1 BP

| Swap          |                   |                       |            |          | Bond                        |               |               |            |                          |
|---------------|-------------------|-----------------------|------------|----------|-----------------------------|---------------|---------------|------------|--------------------------|
| Swap Notional | 100,000,000       | initial pay rate      | 5.095%     |          | Bond (nominal)              | 100,000,000   |               |            |                          |
| Receive Rate  | 0.00%             | 5.095%                |            |          | Bond (coupon interest rate) | 6.00%         |               |            |                          |
| No. of Months | Swap PV of Profit | Swap V of Adj. Profit | PV of 1 BP |          | No. of Months               | Bond Yield    | Bond Yield    | PV of 1 BP | Compensatory Hedge Ratio |
| 4-Jan-99      |                   |                       |            |          | 48                          | \$101,813,328 | \$101,777,143 | \$36,185   | 99.8%                    |
| feb           | 47                | \$0                   | \$36,125   | \$36,125 | 47                          | \$101,813,328 | \$101,777,143 | \$35,502   | 99.8%                    |
| mar           | 46                | \$0                   | \$35,445   | \$35,445 | 46                          | \$101,779,464 | \$101,743,961 | \$34,817   | 99.8%                    |
| apr           | 45                | \$0                   | \$34,762   | \$34,762 | 45                          | \$101,745,444 | \$101,710,627 | \$34,129   | 99.8%                    |
| may           | 44                | \$0                   | \$34,076   | \$34,076 | 44                          | \$101,711,269 | \$101,677,140 | \$33,438   | 99.8%                    |
| jun           | 43                | \$0                   | \$33,387   | \$33,387 | 43                          | \$101,676,937 | \$101,643,499 | \$32,744   | 99.9%                    |
| jul           | 42                | \$0                   | \$32,695   | \$32,695 | 42                          | \$101,642,448 | \$101,609,704 | \$32,047   | 99.9%                    |
| aug           | 41                | \$0                   | \$32,000   | \$32,000 | 41                          | \$101,607,801 | \$101,575,754 | \$31,347   | 99.9%                    |
| sep           | 40                | \$0                   | \$31,303   | \$31,303 | 40                          | \$101,572,995 | \$101,541,648 | \$30,645   | 99.9%                    |
| oct           | 39                | \$0                   | \$30,602   | \$30,602 | 39                          | \$101,538,030 | \$101,507,385 | \$29,939   | 99.9%                    |
| nov           | 38                | \$0                   | \$29,898   | \$29,898 | 38                          | \$101,502,905 | \$101,472,966 | \$29,230   | 99.9%                    |
| dec           | 37                | \$0                   | \$29,192   | \$29,192 | 37                          | \$101,467,619 | \$101,438,389 | \$28,519   | 99.9%                    |
| jan 2000      | 36                | \$0                   | \$28,482   | \$28,482 | 36                          | \$101,432,172 | \$101,403,653 | \$27,805   | 99.9%                    |
| feb           | 35                | \$0                   | \$27,769   | \$27,769 | 35                          | \$101,396,562 | \$101,368,757 | \$27,087   | 99.9%                    |
| mar           | 34                | \$0                   | \$27,054   | \$27,054 | 34                          | \$101,360,789 | \$101,333,702 | \$26,367   | 99.9%                    |
| apr           | 33                | \$0                   | \$26,335   | \$26,335 | 33                          | \$101,324,853 | \$101,298,486 | \$25,643   | 99.9%                    |
| may           | 32                | \$0                   | \$25,613   | \$25,613 | 32                          | \$101,288,752 | \$101,263,108 | \$24,917   | 99.9%                    |
| jun           | 31                | \$0                   | \$24,888   | \$24,888 | 31                          | \$101,252,485 | \$101,227,569 | \$24,187   | 99.9%                    |
| jul           | 30                | \$0                   | \$24,161   | \$24,161 | 30                          | \$101,216,053 | \$101,191,866 | \$23,455   | 99.9%                    |
| aug           | 29                | \$0                   | \$23,430   | \$23,430 | 29                          | \$101,179,454 | \$101,155,999 | \$22,719   | 99.9%                    |
| sep           | 28                | \$0                   | \$22,696   | \$22,696 | 28                          | \$101,142,687 | \$101,119,968 | \$21,980   | 99.9%                    |
| oct           | 27                | \$0                   | \$21,958   | \$21,958 | 27                          | \$101,105,752 | \$101,083,771 | \$21,239   | 99.9%                    |
| nov           | 26                | \$0                   | \$21,218   | \$21,218 | 26                          | \$101,068,648 | \$101,047,409 | \$20,494   | 99.9%                    |
| dec           | 25                | \$0                   | \$20,475   | \$20,475 | 25                          | \$101,031,374 | \$101,010,880 | \$19,746   | 99.9%                    |
| jan 2001      | 24                | \$0                   | \$19,728   | \$19,728 | 24                          | \$100,993,929 | \$100,974,183 | \$18,995   | 99.9%                    |
| feb           | 23                | \$0                   | \$18,978   | \$18,978 | 23                          | \$100,956,313 | \$100,937,318 | \$18,241   | 99.9%                    |
| mar           | 22                | \$0                   | \$18,226   | \$18,226 | 22                          | \$100,918,525 | \$100,900,284 | \$17,483   | 99.9%                    |
| apr           | 21                | \$0                   | \$17,469   | \$17,469 | 21                          | \$100,880,563 | \$100,863,080 | \$16,723   | 99.9%                    |
| may           | 20                | \$0                   | \$16,710   | \$16,710 | 20                          | \$100,842,428 | \$100,825,705 | \$15,959   | 99.9%                    |
| jun           | 19                | \$0                   | \$15,948   | \$15,948 | 19                          | \$100,804,118 | \$100,788,159 | \$15,192   | 99.9%                    |
| jul           | 18                | \$0                   | \$15,182   | \$15,182 | 18                          | \$100,765,633 | \$100,750,441 | \$14,422   | 99.9%                    |
| aug           | 17                | \$0                   | \$14,413   | \$14,413 | 17                          | \$100,726,972 | \$100,712,549 | \$13,649   | 99.9%                    |
| sep           | 16                | \$0                   | \$13,641   | \$13,641 | 16                          | \$100,688,133 | \$100,674,484 | \$12,873   | 99.9%                    |
| oct           | 15                | \$0                   | \$12,865   | \$12,865 | 15                          | \$100,649,117 | \$100,636,245 | \$12,093   | 99.9%                    |
| nov           | 14                | \$0                   | \$12,086   | \$12,086 | 14                          | \$100,609,922 | \$100,597,829 | \$11,310   | 99.9%                    |
| dec           | 13                | \$0                   | \$11,304   | \$11,304 | 13                          | \$100,570,548 | \$100,559,238 | \$10,524   | 100.0%                   |
| jan 2002      | 12                | \$0                   | \$10,519   | \$10,519 | 12                          | \$100,530,994 | \$100,520,470 | \$9,734    | 100.0%                   |
| feb           | 11                | \$0                   | \$9,730    | \$9,730  | 11                          | \$100,491,258 | \$100,481,524 | \$8,942    | 100.0%                   |
| mar           | 10                | \$0                   | \$8,938    | \$8,938  | 10                          | \$100,451,341 | \$100,442,399 | \$8,146    | 100.0%                   |
| apr           | 9                 | \$0                   | \$8,142    | \$8,142  | 9                           | \$100,411,240 | \$100,403,095 | \$7,346    | 100.0%                   |
| may           | 8                 | \$0                   | \$7,344    | \$7,344  | 8                           | \$100,370,956 | \$100,363,610 | \$6,543    | 100.0%                   |
| jun           | 7                 | \$0                   | \$6,541    | \$6,541  | 7                           | \$100,330,488 | \$100,323,945 | \$5,737    | 100.0%                   |
| jul           | 6                 | \$0                   | \$5,736    | \$5,736  | 6                           | \$100,289,835 | \$100,284,097 | \$4,928    | 100.0%                   |
| aug           | 5                 | \$0                   | \$4,927    | \$4,927  | 5                           | \$100,248,995 | \$100,244,067 | \$4,115    | 100.0%                   |
| sep           | 4                 | \$0                   | \$4,114    | \$4,114  | 4                           | \$100,207,968 | \$100,203,853 | \$3,299    | 100.0%                   |
| oct           | 3                 | \$0                   | \$3,298    | \$3,298  | 3                           | \$100,166,754 | \$100,163,455 | \$2,479    | 100.0%                   |
| nov           | 2                 | \$0                   | \$2,479    | \$2,479  | 2                           | \$100,125,350 | \$100,122,871 | \$1,656    | 100.0%                   |
| dec           | 1                 | \$0                   | \$1,656    | \$1,656  | 1                           | \$100,083,758 | \$100,082,101 | \$830      | 100.0%                   |
| jan 2003      | 0                 | \$0                   | \$830      | \$830    | 0                           | \$100,041,974 | \$100,041,145 | \$0        | #DIV/0!                  |

FIG. 3

# EXHIBIT 1 DETAILS SCANNED, # 6

Swaps #16 (maturing Feb 13-03) vs Cat Bond 6.00% maturing Feb-03  
on of the Correlation between Swap and Ratio Hedge Bond

| Rate | Actual month-end CP Rate | Using CP at month end + 18 bps | Settlement on | Actual    | No. days of accrued interest | Market Yield | Assumed Interest | Adjusted MTM (EXCEL ASSUMED INTL) | Monthly Change Adj. MTM | No. of Months | Computed Bond Value | Actual Libor Swap Yield | Constant Yield Differential | Constant Libor vs CP Swap | Effective Swap Yield | Bond Price M Yield Unleveraged | Amort of Premium | Bond Value Mthly Change |
|------|--------------------------|--------------------------------|---------------|-----------|------------------------------|--------------|------------------|-----------------------------------|-------------------------|---------------|---------------------|-------------------------|-----------------------------|---------------------------|----------------------|--------------------------------|------------------|-------------------------|
| 420  | 5.17%                    | 5.46%                          | 190           | \$402,080 | \$0                          | 5.070%       | \$0              | \$54,204                          | \$54,204                | 48            | 102,2165%           | 5.1850%                 | 0.3080%                     | 0.1000%                   | 5.3940%              | 102.218%                       | 0.041%           | 54,516                  |
| 425  | 5.28%                    | 5.46%                          | 220           | \$393,692 | \$0                          | 5.089%       | \$0              | \$2,034,749                       | \$2,034,749             | 48            | 102,2305%           | 5.1700%                 | 0.3080%                     | 0.1000%                   | 5.3790%              | 102.178%                       | 0.041%           | -2,096,155              |
| 430  | 5.37%                    | 5.46%                          | 260           | \$447,342 | \$0                          | 5.328%       | \$0              | \$1,320,311                       | \$1,320,311             | 47            | 100,0908%           | 5.7650%                 | 0.3080%                     | 0.1000%                   | 5.9740%              | 102.135%                       | 0.041%           | 513,427                 |
| 435  | 5.53%                    | 5.53%                          | 290           | \$427,055 | \$0                          | 5.985%       | \$0              | \$1,729,948                       | \$1,729,948             | 46            | 100,5631%           | 5.8287%                 | 0.3080%                     | 0.1000%                   | 5.8357%              | 102.094%                       | 0.041%           | -208,218                |
| 440  | 5.55%                    | 5.73%                          | 321           | \$314,404 | \$0                          | 6.000%       | \$0              | \$3,004,878                       | \$3,004,878             | 45            | 100,3138%           | 5.8875%                 | 0.3080%                     | 0.1000%                   | 5.9055%              | 102.053%                       | 0.041%           | -1,281,662              |
| 445  | 5.77%                    | 6.11%                          | 352           | \$308,182 | \$0                          | 6.118%       | \$0              | \$3,316,377                       | \$3,316,377             | 44            | 98,9609%            | 6.1000%                 | 0.3080%                     | 0.1000%                   | 6.3080%              | 102.012%                       | 0.041%           | -313,783                |
| 450  | 5.94%                    | 6.11%                          | 48            | \$6,062   | \$0                          | 6.370%       | \$0              | \$4,021,862                       | \$4,021,862             | 43            | 98,6358%            | 6.2183%                 | 0.3080%                     | 0.1000%                   | 6.4273%              | 101.971%                       | 0.041%           | -707,924                |
| 455  | 6.02%                    | 6.11%                          | 76            | \$23,425  | \$0                          | 6.500%       | \$0              | \$4,324,921                       | \$4,324,921             | 42            | 97,5881%            | 6.4700%                 | 0.3080%                     | 0.1000%                   | 6.6790%              | 101.929%                       | 0.042%           | -304,141                |
| 460  | 6.06%                    | 6.11%                          | 107           | \$144,377 | \$0                          | 6.06%        | \$0              | \$877,315                         | \$877,315               | 41            | 97,5401%            | 6.6000%                 | 0.3080%                     | 0.1000%                   | 6.8090%              | 101.887%                       | 0.042%           | -29,939                 |
| 465  | 6.11%                    | 6.11%                          | 137           | \$233,651 | \$0                          | 6.11%        | \$0              | \$1,101,725                       | \$1,101,725             | 40            | 96,2810%            | 6.3867%                 | 0.3080%                     | 0.1000%                   | 6.5737%              | 101.845%                       | 0.042%           | 782,868                 |
| 470  | 6.20%                    | 6.11%                          | 168           | \$298,110 | \$0                          | 6.20%        | \$0              | \$1,521,089                       | \$1,521,089             | 39            | 96,2088%            | 6.4560%                 | 0.3080%                     | 0.1000%                   | 6.6140%              | 101.803%                       | 0.042%           | -29,939                 |
| 475  | 6.40%                    | 6.11%                          | 198           | \$308,678 | \$0                          | 6.40%        | \$0              | \$2,019,266                       | \$2,019,266             | 38            | 97,8370%            | 6.5517%                 | 0.3080%                     | 0.1000%                   | 6.7607%              | 101.760%                       | 0.042%           | -781,811                |
| 480  | 6.47%                    | 6.11%                          | 229           | \$381,087 | \$0                          | 6.47%        | \$0              | \$2,947,643                       | \$2,947,643             | 37            | 97,0328%            | 6.8650%                 | 0.3080%                     | 0.1000%                   | 7.0740%              | 101.718%                       | 0.043%           | -953,259                |
| 485  | 6.65%                    | 6.11%                          | 260           | \$404,752 | \$0                          | 6.65%        | \$0              | \$2,937,150                       | \$2,937,150             | 36            | 96,0385%            | 7.2700%                 | 0.3080%                     | 0.1000%                   | 7.4790%              | 101.675%                       | 0.043%           | 411,502                 |
| 490  | 6.65%                    | 6.11%                          | 290           | \$23,425  | \$0                          | 6.65%        | \$0              | \$2,913,827                       | \$2,913,827             | 35            | 96,4051%            | 7.1648%                 | 0.3080%                     | 0.1000%                   | 7.3736%              | 101.632%                       | 0.043%           | 84,538                  |
| 495  | 6.65%                    | 6.11%                          | 321           | \$144,377 | \$0                          | 6.65%        | \$0              | \$3,220,142                       | \$3,220,142             | 34            | 96,2018%            | 7.1850%                 | 0.3080%                     | 0.1000%                   | 7.3940%              | 101.589%                       | 0.043%           | -201,328                |
| 500  | 6.65%                    | 6.11%                          | 352           | \$233,651 | \$0                          | 6.65%        | \$0              | \$3,598,593                       | \$3,598,593             | 33            | 96,7838%            | 7.3245%                 | 0.3080%                     | 0.1000%                   | 7.5335%              | 101.546%                       | 0.043%           | -374,454                |
| 505  | 6.65%                    | 6.11%                          | 383           | \$298,110 | \$0                          | 6.65%        | \$0              | \$3,574,502                       | \$3,574,502             | 32            | 96,7345%            | 7.5463%                 | 0.3080%                     | 0.1000%                   | 7.7553%              | 101.502%                       | 0.044%           | 994,454                 |
| 510  | 6.65%                    | 6.11%                          | 414           | \$308,678 | \$0                          | 6.65%        | \$0              | \$2,313,857                       | \$2,313,857             | 31            | 96,7245%            | 7.1835%                 | 0.3080%                     | 0.1000%                   | 7.3925%              | 101.458%                       | 0.044%           | 331,314                 |
| 515  | 6.65%                    | 6.11%                          | 445           | \$381,087 | \$0                          | 6.65%        | \$0              | \$1,835,765                       | \$1,835,765             | 30            | 97,0218%            | 7.0980%                 | 0.3080%                     | 0.1000%                   | 7.3070%              | 101.414%                       | 0.044%           | 595,100                 |
| 520  | 6.65%                    | 6.11%                          | 476           | \$404,752 | \$0                          | 6.65%        | \$0              | \$1,282,923                       | \$1,282,923             | 29            | 97,5728%            | 6.8689%                 | 0.3080%                     | 0.1000%                   | 7.0659%              | 101.370%                       | 0.044%           | 537,645                 |
| 525  | 6.65%                    | 6.11%                          | 507           | \$23,425  | \$0                          | 6.65%        | \$0              | \$1,154,141                       | \$1,154,141             | 28            | 98,2559%            | 6.8295%                 | 0.3080%                     | 0.1000%                   | 6.8365%              | 101.328%                       | 0.045%           | 234,395                 |

FIG 4

SCANNED, # 556

[illegible]

5644

## Citibank swap#20 - maturing 6/4/04 vs Cat Bond 9.00% maturing 4/15/06

## Calculation of the Compensatory Hedge Ratio

Compensatory Hedge Ratio  
obtained by dividing Swap PV of 1BP  
by Bond PV of 1BP

| Swap Notional<br>Receive Rate |              |               |                  | Bond (nominal)<br>Bond (coupon/interest rate) |            |               |               |
|-------------------------------|--------------|---------------|------------------|---|------------|---------------|---------------|
| \$100,000,000                 |              |               |                  | \$100,000,000                                 |            |               |               |
| 5.15%                         |              |               |                  | 9.00%   |            |               |               |
| Initial pay rate              |              | Adj. pay rate |                  | PV at Initial                                 |            | PV at Initial |               |
| 5.15%                         |              | 5.16%         |                  | Bond Yield                                    |            | Bond Yield    |               |
| No. of                        | Swap         | No. of        | Swap             | No. of  | Bond Yield | No. of        | Bond Yield    |
| Months                        | PV of Profit | Months        | V of Adj. Profit | Months  | 5.720%     | Months        | 5.720%        |
| PV of 1 BP                    |              |               |                  | PV of 1 BP                                    |            |               |               |
| Compensatory                  |              |               |                  | Hedge Ratio                                   |            |               |               |
| 4-Jan-99                      |              |               |                  |   |            |               |               |
| 31-Jan-99                     | \$0          |               | -\$46,546        | \$46,546                                      |            |               |               |
| feb                           | 63           | \$0           | -\$45,913        | \$45,913                                      | 85         | \$119,312,749 | \$119,247,568 |
| mar                           | 62           | \$0           | -\$45,276        | \$45,276                                      | 84         | \$119,130,478 | \$119,065,981 |
| apr                           | 61           | \$0           | -\$44,638        | \$44,638                                      | 83         | \$118,947,341 | \$118,883,529 |
| may                           | 60           | \$0           | -\$43,996        | \$43,996                                      | 82         | \$118,763,332 | \$118,700,207 |
| june                          | 59           | \$0           | -\$43,351        | \$43,351                                      | 81         | \$118,578,448 | \$118,516,012 |
| july                          | 58           | \$0           | -\$42,704        | \$42,704                                      | 80         | \$118,392,683 | \$118,330,938 |
| aug                           | 57           | \$0           | -\$42,054        | \$42,054                                      | 79         | \$118,206,035 | \$118,144,982 |
| sep                           | 56           | \$0           | -\$41,401        | \$41,401                                      | 78         | \$118,018,499 | \$117,958,140 |
| oct                           | 55           | \$0           | -\$40,746        | \$40,746                                      | 77         | \$117,830,070 | \$117,770,407 |
| nov                           | 54           | \$0           | -\$40,088        | \$40,088                                      | 76         | \$117,640,745 | \$117,581,779 |
| dec                           | 53           | \$0           | -\$39,426        | \$39,426                                      | 75         | \$117,450,519 | \$117,392,253 |
| jan 2000                      | 52           | \$0           | -\$38,762        | \$38,762                                      | 74         | \$117,259,388 | \$117,201,822 |
| feb                           | 51           | \$0           | -\$38,095        | \$38,095                                      | 73         | \$117,067,347 | \$117,010,484 |
| mar                           | 50           | \$0           | -\$37,426        | \$37,426                                      | 72         | \$116,874,392 | \$116,818,234 |
| apr                           | 49           | \$0           | -\$36,753        | \$36,753                                      | 71         | \$116,680,520 | \$116,625,068 |
| may                           | 48           | \$0           | -\$36,077        | \$36,077                                      | 70         | \$116,485,724 | \$116,430,981 |
| june                          | 47           | \$0           | -\$35,399        | \$35,399                                      | 69         | \$116,290,002 | \$116,235,968 |
| july                          | 46           | \$0           | -\$34,718        | \$34,718                                      | 68         | \$116,093,349 | \$116,040,026 |
| aug                           | 45           | \$0           | -\$34,033        | \$34,033                                      | 67         | \$115,895,760 | \$115,843,151 |
| sep                           | 44           | \$0           | -\$33,346        | \$33,346                                      | 66         | \$115,697,230 | \$115,645,336 |
| oct                           | 43           | \$0           | -\$32,656        | \$32,656                                      | 65         | \$115,497,756 | \$115,446,579 |
| nov                           | 42           | \$0           | -\$31,963        | \$31,963                                      | 64         | \$115,297,333 | \$115,246,874 |
| dec                           | 41           | \$0           | -\$31,267        | \$31,267                                      | 63         | \$115,095,956 | \$115,046,218 |
| jan 2001                      | 40           | \$0           | -\$30,568        | \$30,568                                      | 62         | \$114,893,621 | \$114,844,605 |
| feb                           | 39           | \$0           | -\$29,866        | \$29,866                                      | 61         | \$114,690,323 | \$114,642,031 |
| mar                           | 38           | \$0           | -\$29,161        | \$29,161                                      | 60         | \$114,486,058 | \$114,438,491 |
| apr                           | 37           | \$0           | -\$28,452        | \$28,452                                      | 59         | \$114,280,821 | \$114,233,981 |
| may                           | 36           | \$0           | -\$27,741        | \$27,741                                      | 58         | \$114,074,607 | \$114,028,497 |
| june                          | 35           | \$0           | -\$27,027        | \$27,027                                      | 57         | \$113,867,412 | \$113,822,032 |
| july                          | 34           | \$0           | -\$26,310        | \$26,310                                      | 56         | \$113,659,231 | \$113,614,584 |
| aug                           | 33           | \$0           | -\$25,589        | \$25,589                                      | 55         | \$113,450,060 | \$113,406,147 |
| sep                           | 32           | \$0           | -\$24,866        | \$24,866                                      | 54         | \$113,239,893 | \$113,196,716 |
| oct                           | 31           | \$0           | -\$24,139        | \$24,139                                      | 53         | \$113,028,726 | \$112,986,287 |
| nov                           | 30           | \$0           | -\$23,410        | \$23,410                                      | 52         | \$112,816,555 | \$112,774,855 |
| dec                           | 29           | \$0           | -\$22,677        | \$22,677                                      | 51         | \$112,603,373 | \$112,562,415 |
| jan 2002                      | 28           | \$0           | -\$21,941        | \$21,941                                      | 50         | \$112,389,178 | \$112,348,963 |
| feb                           | 27           | \$0           | -\$21,202        | \$21,202                                      | 49         | \$112,173,963 | \$112,134,493 |
| mar                           | 26           | \$0           | -\$20,460        | \$20,460                                      | 48         | \$111,957,724 | \$111,919,001 |
| apr                           | 25           | \$0           | -\$19,714        | \$19,714                                      | 47         | \$111,740,456 | \$111,702,481 |
| may                           | 24           | \$0           | -\$18,965        | \$18,965                                      | 46         | \$111,522,155 | \$111,484,930 |
| june                          | 23           | \$0           | -\$18,213        | \$18,213                                      | 45         | \$111,302,814 | \$111,266,341 |
| july                          | 22           | \$0           | -\$17,458        | \$17,458                                      | 44         | \$111,082,430 | \$111,046,711 |
| aug                           | 21           | \$0           | -\$16,700        | \$16,700                                      | 43         | \$110,860,997 | \$110,826,033 |
| sep                           | 20           | \$0           | -\$15,938        | \$15,938                                      | 42         | \$110,638,511 | \$110,604,304 |
| oct                           | 19           | \$0           | -\$15,173        | \$15,173                                      | 41         | \$110,414,966 | \$110,381,518 |
| nov                           | 18           | \$0           | -\$14,405        | \$14,405                                      | 40         | \$110,190,357 | \$110,157,670 |
| dec                           | 17           | \$0           | -\$13,634        | \$13,634                                      | 39         | \$109,964,679 | \$109,932,755 |
| jan 2003                      | 16           | \$0           | -\$12,859        | \$12,859                                      | 38         | \$109,737,928 | \$109,706,768 |
| feb                           | 15           | \$0           | -\$12,081        | \$12,081                                      | 37         | \$109,510,098 | \$109,479,703 |
| mar                           | 14           | \$0           | -\$11,299        | \$11,299                                      | 36         | \$109,281,183 | \$109,251,557 |
| apr                           | 13           | \$0           | -\$10,515        | \$10,515                                      | 35         | \$109,051,180 | \$109,022,322 |
| may                           | 12           | \$0           | -\$9,726         | \$9,726                                       | 34         | \$108,820,081 | \$108,791,995 |
| june                          | 11           | \$0           | -\$8,935         | \$8,935                                       | 33         | \$108,587,884 | \$108,560,571 |
| july                          | 10           | \$0           | -\$8,140         | \$8,140                                       | 32         | \$108,354,581 | \$108,328,043 |
| aug                           | 9            | \$0           | -\$7,341         | \$7,341                                       | 31         | \$108,120,168 | \$108,094,406 |
| sep                           | 8            | \$0           | -\$6,540         | \$6,540                                       | 30         | \$107,884,640 | \$107,859,656 |
| oct                           | 7            | \$0           | -\$5,734         | \$5,734                                       | 29         | \$107,647,991 | \$107,623,787 |
| nov                           | 6            | \$0           | -\$4,926         | \$4,926                                       | 28         | \$107,410,216 | \$107,386,794 |
| dec                           | 5            | \$0           | -\$4,114         | \$4,114                                       | 27         | \$107,171,310 | \$107,148,671 |
| jan 2004                      | 4            | \$0           | -\$3,298         | \$3,298                                       | 26         | \$106,931,267 | \$106,909,413 |
| feb                           | 3            | \$0           | -\$2,479         | \$2,479                                       | 25         | \$106,690,081 | \$106,669,015 |
| mar                           | 2            | \$0           | -\$1,656         | \$1,656                                       | 24         | \$106,447,748 | \$106,427,470 |
| apr                           | 1            | \$0           | -\$830           | \$830   | 23         | \$106,204,262 | \$106,184,774 |
| may                           | 0            | \$0           | \$0              | \$0   | 22         | \$105,959,617 | \$105,940,922 |
|                               |              |               |                  |   |            | \$105,713,808 | \$105,695,907 |

Swap Benchmark for Swap#20 is

SCANNED, # 6

EXHIBIT 2 DETAILS

pt20 - maturing 6/4/04 vs Cat Bond 9.00% maturing 4/15/06  
of the Correlation between Swap and Ratio Hedge Bond

| Actual month-end<br>CP Rate | Using CP at month<br>end + 18 bps<br>Actual<br>floating rate | No. of days of<br>accrued interest | Settlement on | Market Yield  | Accrued Interest | Adjusted MTM<br>(incl. accrued int.) | Monthly Change<br>Adj. MTM | No. of<br>Months | Computed<br>Bond Value | Actual Libor<br>Swap Yield | Constant<br>Yield Differential | Constant Diff.<br>Libor vs CP Swap | Effective<br>Swap Yield | Bond Price<br>if Yield Unchanged | Amount of<br>Premium | Bond Value<br>Monthly Change |
|-----------------------------|--|------------------------------------|---------------|---|------------------|--------------------------------------|----------------------------|------------------|------------------------|----------------------------|--------------------------------|------------------------------------|-------------------------|----------------------------------|----------------------|------------------------------|
| 5.29%                       | 5.47%  | 118                                |               | 5.131%  | \$0              | \$0                                  | \$100,130                  | 87               | 120.155%               | 5.3092%                    | 0.4008%                        | 0.1000%                            | 5.8100%                 | 120.155%                         | 0.185%               | \$83,236                     |
| 5.26%                       | 5.46%  | 149                                |               | 5.735%  | \$0              | \$0                                  | \$2,735,277                | 86               | 120.060%               | 5.2950%                    | 0.4008%                        | 0.1000%                            | 5.9858%                 | 119.967%                         | 0.189%               | \$3,937,361                  |
| 5.26%                       | 5.54%  | 179                                |               | 5.655%  | \$0              | \$0                                  | \$2,635,277                | 85               | 115.834%               | 5.2928%                    | 0.4008%                        | 0.1000%                            | 6.2138%                 | 119.778%                         | 0.190%               | \$3,937,259                  |
| 5.01%                       | 5.77%  | 27                                 |               | 5.710%  | \$0              | \$0                                  | \$2,448,508                | 84               | 116.111%               | 5.9150%                    | 0.4008%                        | 0.1000%                            | 6.2138%                 | 119.588%                         | 0.191%               | \$2,999,815                  |
| 5.76%                       | 6.11%  | 86                                 |               | 6.114%  | \$0              | \$0                                  | \$2,454,704                | 83               | 115.820%               | 5.9150%                    | 0.4008%                        | 0.1000%                            | 6.2138%                 | 119.397%                         | 0.192%               | \$2,271,255                  |
| 5.83%                       | 6.20%  | 147                                |               | 8.280%  | \$0              | \$0                                  | \$4,133,166                | 82               | 113.157%               | 6.3017%                    | 0.4008%                        | 0.1000%                            | 6.6025%                 | 119.205%                         | 0.193%               | \$664,397                    |
| 6.02%                       | 6.58%  | 178                                |               | 8.510%  | \$0              | \$0                                  | \$4,678,571                | 81               | 112.060%               | 6.4650%                    | 0.4008%                        | 0.1000%                            | 6.7658%                 | 119.012%                         | 0.194%               | \$1,420,017                  |
| 6.40%                       | 6.65%  | 26                                 |               | 8.510%  | \$0              | \$0                                  | \$5,616,508                | 80               | 110.466%               | 6.7283%                    | 0.4008%                        | 0.1000%                            | 7.0281%                 | 118.819%                         | 0.195%               | \$581,230                    |
| 6.53%                       | 6.71%  | 88                                 |               | 8.415%  | \$0              | \$0                                  | \$5,671,792                | 79               | 109.710%               | 6.8458%                    | 0.4008%                        | 0.1000%                            | 7.1468%                 | 118.624%                         | 0.195%               | \$1,103,790                  |
| 6.47%                       | 6.65%  | 57                                 |               | 8.420%  | \$0              | \$0                                  | \$5,079,937                | 78               | 110.879%               | 6.8525%                    | 0.4008%                        | 0.1000%                            | 6.9533%                 | 118.425%                         | 0.196%               | \$397,414                    |
| 6.48%                       | 6.65%  | 118                                |               | 8.420%  | \$0              | \$0                                  | \$5,079,937                | 77               | 110.879%               | 6.8525%                    | 0.4008%                        | 0.1000%                            | 7.0141%                 | 118.232%                         | 0.197%               | \$540,793                    |
| 5.47%                       | 5.47%  | 149                                |               | 8.420%  | \$0              | \$0                                  | \$1,510                    | 76               | 110.879%               | 6.8525%                    | 0.4008%                        | 0.1000%                            | 7.0141%                 | 118.232%                         | 0.197%               | \$1,479,432                  |
| 5.46%                       | 5.46%  | 179                                |               | 8.420%  | \$0              | \$0                                  | \$1,510                    | 75               | 108.454%               | 7.0100%                    | 0.4008%                        | 0.1000%                            | 7.3108%                 | 117.837%                         | 0.198%               | \$2,099,216                  |
| 6.19%                       | 6.19%  | 27                                 |               | 8.539%  | \$0              | \$0                                  | \$3,230,553                | 74               | 106.216%               | 7.4288%                    | 0.4008%                        | 0.1000%                            | 7.7288%                 | 117.638%                         | 0.200%               | \$645,187                    |
| 5.77%                       | 5.77%  | 58                                 |               | Hypothetical Market<br>Yield  | \$10,553         | \$10,553                             | \$1,342,768                | 73               | 106.061%               | 7.3272%                    | 0.4008%                        | 0.1000%                            | 7.5233%                 | 117.438%                         | 0.201%               | \$652,614                    |
| 5.59%                       | 5.94%  | 86                                 |               | Source: (Historical Yield<br>curve) - adjusted for the<br>no. of months | \$82,315         | \$82,315                             | \$503,004                  | 72               | 107.113%               | 7.2225%                    | 0.4008%                        | 0.1000%                            | 7.5233%                 | 117.237%                         | 0.202%               | \$541,433                    |
| 5.83%                       | 6.20%  | 147                                |               | Source: (Historical Yield<br>curve) - adjusted for the<br>no. of months | \$3,070,315      | \$3,070,315                          | \$241,579                  | 71               | 105.089%               | 7.3571%                    | 0.4008%                        | 0.1000%                            | 7.6879%                 | 117.035%                         | 0.203%               | \$1,068,100                  |
| 6.02%                       | 6.58%  | 178                                |               | Source: (Historical Yield<br>curve) - adjusted for the<br>no. of months | \$2,295,477      | \$2,295,477                          | \$468,742                  | 70               | 105.089%               | 7.6054%                    | 0.4008%                        | 0.1000%                            | 7.9082%                 | 116.832%                         | 0.204%               | \$2,098,742                  |
| 6.40%                       | 6.71%  | 26                                 |               | Source: (Historical Yield<br>curve) - adjusted for the<br>no. of months | \$3,789,204      | \$3,789,204                          | \$493,727                  | 69               | 106.853%               | 7.2085%                    | 0.4008%                        | 0.1000%                            | 7.5073%                 | 116.628%                         | 0.205%               | \$330,892                    |
| 6.53%                       | 6.87%  | 88                                 |               | Source: (Historical Yield<br>curve) - adjusted for the<br>no. of months | \$2,734,2        | \$2,734,2                            | \$1,131,546                | 68               | 107.079%               | 7.1633%                    | 0.4008%                        | 0.1000%                            | 7.4641%                 | 116.423%                         | 0.206%               | \$1,296,669                  |
| 6.47%                       | 6.65%  | 57                                 |               | Source: (Historical Yield<br>curve) - adjusted for the<br>no. of months | \$2,404,873      | \$2,404,873                          | \$252,765                  | 67               | 108.160%               | 6.9190%                    | 0.4008%                        | 0.1000%                            | 7.2188%                 | 116.218%                         | 0.207%               | \$837,482                    |
| 6.48%                       | 6.65%  | 118                                |               | Source: (Historical Yield<br>curve) - adjusted for the<br>no. of months | \$2,072,649      | \$2,072,649                          | \$332,224                  | 66               | 108.791%               | 6.7655%                    | 0.4008%                        | 0.1000%                            | 7.0863%                 | 116.011%                         | 0.208%               | \$224,176                    |
| 5.47%                       | 5.47%  | 149                                |               | Source: (Historical Yield<br>curve) - adjusted for the<br>no. of months | \$987,281        | \$987,281                            | \$1,075,368                | 65               | 108.808%               | 6.7388%                    | 0.4008%                        | 0.1000%                            | 7.0386%                 | 115.803%                         | 0.208%               | \$224,176                    |
| 5.46%                       | 5.46%  | 179                                |               | Source: (Historical Yield<br>curve) - adjusted for the<br>no. of months | \$878,957        | \$878,957                            | \$120,323                  | 64               |                        |                            |                                |                                    |                         |                                  |                      |                              |

Fig. 7

mark for Sweep#20

## EXHIBIT 2 DETAILS

Fig. 2

~~Swap Benchmark for Swap#20~~



# EXHIBIT 3 DETAILS

SG swap#19 - maturing 11/13/2005 vs CAT Bond 6.00% maturing May 2007

## Calculation of the Compensatory Hedge Ratio

Compensatory Hedge Ratio  
calculated by dividing Swap PV of 1BP  
by Bond PV of 1BP

| Swap (Nominal)   |                   |                        |            | Bond (nominal)              |              |              |                          |
|------------------|-------------------|------------------------|------------|-----------------------------|--------------|--------------|--------------------------|
| Receive Rate     |                   |                        |            | Interest rate               |              |              |                          |
| Initial pay rate |                   |                        |            | Bond (coupon interest rate) |              |              |                          |
| 5.175%           |                   |                        |            | 6.195%                      |              |              |                          |
| No. of Months    | Swap PV of Profit | Swap PV of Adj. Profit | PV of 1 BP | No. of Months               | Bond Yield   | Bond Yield   | Compensatory Hedge Ratio |
| 04-Jan-99        |                   |                        |            |                             |              |              |                          |
| feb              | \$0               | -\$56,887              | \$56,887   | 98                          | \$98,806,923 | \$98,742,910 | 88.9%                    |
| mar              | \$0               | -\$56,299              | \$56,299   | 97                          | \$98,816,190 | \$98,752,670 | 88.6%                    |
| apr              | \$0               | -\$55,708              | \$55,708   | 96                          | \$98,825,505 | \$98,762,480 | 88.4%                    |
| may              | \$0               | -\$55,114              | \$55,114   | 95                          | \$98,834,868 | \$98,772,342 | 88.1%                    |
| jun              | \$0               | -\$54,518              | \$54,518   | 94                          | \$98,844,280 | \$98,782,254 | 87.9%                    |
| jul              | \$0               | -\$53,919              | \$53,919   | 93                          | \$98,853,740 | \$98,792,217 | 87.6%                    |
| aug              | \$0               | -\$53,318              | \$53,318   | 92                          | \$98,863,248 | \$98,802,232 | 87.4%                    |
| sep              | \$0               | -\$52,714              | \$52,714   | 91                          | \$98,872,806 | \$98,812,299 | 87.1%                    |
| oct              | \$0               | -\$52,108              | \$52,108   | 90                          | \$98,882,413 | \$98,822,417 | 86.9%                    |
| nov              | \$0               | -\$51,499              | \$51,499   | 89                          | \$98,892,069 | \$98,832,588 | 86.6%                    |
| dec              | \$0               | -\$50,887              | \$50,887   | 88                          | \$98,901,775 | \$98,842,811 | 86.3%                    |
| jan 2000         | \$0               | -\$50,273              | \$50,273   | 87                          | \$98,911,532 | \$98,853,087 | 86.0%                    |
| feb              | \$0               | -\$49,656              | \$49,656   | 86                          | \$98,921,338 | \$98,863,416 | 85.7%                    |
| mar              | \$0               | -\$49,036              | \$49,036   | 85                          | \$98,931,195 | \$98,873,799 | 85.4%                    |
| apr              | \$0               | -\$48,414              | \$48,414   | 84                          | \$98,941,103 | \$98,884,235 | 85.1%                    |
| may              | \$0               | -\$47,789              | \$47,789   | 83                          | \$98,951,062 | \$98,894,725 | 84.8%                    |
| jun              | \$0               | -\$47,161              | \$47,161   | 82                          | \$98,961,072 | \$98,905,269 | 84.5%                    |
| jul              | \$0               | -\$46,531              | \$46,531   | 81                          | \$98,971,134 | \$98,915,867 | 84.2%                    |
| aug              | \$0               | -\$45,898              | \$45,898   | 80                          | \$98,981,248 | \$98,926,520 | 83.9%                    |
| sep              | \$0               | -\$45,262              | \$45,262   | 79                          | \$98,991,414 | \$98,937,228 | 83.5%                    |
| oct              | \$0               | -\$44,624              | \$44,624   | 78                          | \$99,001,632 | \$98,947,992 | 83.2%                    |
| nov              | \$0               | -\$43,983              | \$43,983   | 77                          | \$99,011,903 | \$98,958,811 | 82.8%                    |
| dec              | \$0               | -\$43,338              | \$43,338   | 76                          | \$99,022,227 | \$98,969,686 | 82.5%                    |
| jan 2001         | \$0               | -\$42,692              | \$42,692   | 75                          | \$99,032,604 | \$98,980,617 | 82.1%                    |
| feb              | \$0               | -\$42,042              | \$42,042   | 74                          | \$99,043,034 | \$98,991,604 | 81.7%                    |
| mar              | \$0               | -\$41,390              | \$41,390   | 73                          | \$99,053,519 | \$99,002,648 | 81.4%                    |
| apr              | \$0               | -\$40,735              | \$40,735   | 72                          | \$99,064,057 | \$99,013,749 | 81.0%                    |
| may              | \$0               | -\$40,077              | \$40,077   | 71                          | \$99,074,650 | \$99,024,908 | 80.6%                    |
| jun              | \$0               | -\$39,416              | \$39,416   | 70                          | \$99,085,297 | \$99,036,124 | 80.2%                    |
| jul              | \$0               | -\$38,752              | \$38,752   | 69                          | \$99,095,999 | \$99,047,398 | 79.7%                    |
| aug              | \$0               | -\$38,085              | \$38,085   | 68                          | \$99,106,756 | \$99,058,730 | 79.3%                    |
| sep              | \$0               | -\$37,416              | \$37,416   | 67                          | \$99,117,569 | \$99,070,121 | 78.9%                    |
| oct              | \$0               | -\$36,744              | \$36,744   | 66                          | \$99,128,438 | \$99,081,570 | 78.4%                    |
| nov              | \$0               | -\$36,069              | \$36,069   | 65                          | \$99,139,362 | \$99,093,079 | 77.9%                    |
| dec              | \$0               | -\$35,391              | \$35,391   | 64                          | \$99,150,343 | \$99,104,647 | 77.4%                    |
| jan 2002         | \$0               | -\$34,710              | \$34,710   | 63                          | \$99,161,380 | \$99,116,275 | 77.0%                    |
| feb              | \$0               | -\$34,026              | \$34,026   | 62                          | \$99,172,474 | \$99,127,962 | 76.4%                    |
| mar              | \$0               | -\$33,339              | \$33,339   | 61                          | \$99,183,626 | \$99,139,711 | 75.9%                    |
| apr              | \$0               | -\$32,649              | \$32,649   | 60                          | \$99,194,835 | \$99,151,519 | 75.4%                    |
| may              | \$0               | -\$31,956              | \$31,956   | 59                          | \$99,206,102 | \$99,163,389 | 74.8%                    |
| jun              | \$0               | -\$31,260              | \$31,260   | 58                          | \$99,217,426 | \$99,175,320 | 74.2%                    |
| jul              | \$0               | -\$30,561              | \$30,561   | 57                          | \$99,228,810 | \$99,187,313 | 73.6%                    |
| aug              | \$0               | -\$29,860              | \$29,860   | 56                          | \$99,240,251 | \$99,199,367 | 73.0%                    |
| sep              | \$0               | -\$29,155              | \$29,155   | 55                          | \$99,251,752 | \$99,211,484 | 72.4%                    |
| oct              | \$0               | -\$28,447              | \$28,447   | 54                          | \$99,263,312 | \$99,223,663 | 71.7%                    |
| nov              | \$0               | -\$27,736              | \$27,736   | 53                          | \$99,274,932 | \$99,235,905 | 71.1%                    |
| dec              | \$0               | -\$27,022              | \$27,022   | 52                          | \$99,286,611 | \$99,248,211 | 70.4%                    |
| jan              | \$0               | -\$26,305              | \$26,305   | 51                          | \$99,298,351 | \$99,260,580 | 69.6%                    |
| feb              | \$0               | -\$25,585              | \$25,585   | 50                          | \$99,310,151 | \$99,273,012 | 68.9%                    |
| mar              | \$0               | -\$24,862              | \$24,862   | 49                          | \$99,322,012 | \$99,285,509 | 68.1%                    |
| apr              | \$0               | -\$24,136              | \$24,136   | 48                          | \$99,333,935 | \$99,298,071 | 67.3%                    |
| may              | \$0               | -\$23,406              | \$23,406   | 47                          | \$99,345,918 | \$99,310,697 | 66.5%                    |
| jun              | \$0               | -\$22,673              | \$22,673   | 46                          | \$99,357,964 | \$99,323,388 | 65.6%                    |
| jul              | \$0               | -\$21,938              | \$21,938   | 45                          | \$99,370,071 | \$99,336,145 | 64.7%                    |
| aug              | \$0               | -\$21,199              | \$21,199   | 44                          | \$99,382,241 | \$99,348,968 | 63.7%                    |
| sep              | \$0               | -\$20,457              | \$20,457   | 43                          | \$99,394,474 | \$99,361,857 | 62.7%                    |
| oct              | \$0               | -\$19,711              | \$19,711   | 42                          | \$99,406,769 | \$99,374,813 | 61.7%                    |
| nov              | \$0               | -\$18,963              | \$18,963   | 41                          | \$99,419,129 | \$99,387,835 | 60.6%                    |
|                  | \$0               | -\$18,211              | \$18,211   |                             | \$99,431,551 | \$99,400,925 | 59.5%                    |

FIG. 9A

Swap Benchmark for Swap#19.xls

# EXHIBIT 3 DETAILS

|     |    |     |           |          |    |              |              |          |       |
|-----|----|-----|-----------|----------|----|--------------|--------------|----------|-------|
| dec | 22 | \$0 | -\$17,456 | \$17,456 | 40 | \$99,444,038 | \$99,414,082 | \$29,956 | 58.3% |
| jan | 21 | \$0 | -\$16,698 | \$16,698 | 39 | \$99,456,589 | \$99,427,308 | \$29,282 | 57.0% |
| feb | 20 | \$0 | -\$15,937 | \$15,937 | 38 | \$99,469,205 | \$99,440,601 | \$28,604 | 55.7% |
| mar | 19 | \$0 | -\$15,172 | \$15,172 | 37 | \$99,481,886 | \$99,453,963 | \$27,923 | 54.3% |
| apr | 18 | \$0 | -\$14,404 | \$14,404 | 36 | \$99,494,632 | \$99,467,394 | \$27,238 | 52.9% |
| may | 17 | \$0 | -\$13,633 | \$13,633 | 35 | \$99,507,444 | \$99,480,895 | \$26,549 | 51.3% |
| jun | 16 | \$0 | -\$12,858 | \$12,858 | 34 | \$99,520,322 | \$99,494,465 | \$25,857 | 49.7% |
| jul | 15 | \$0 | -\$12,080 | \$12,080 | 33 | \$99,533,266 | \$99,508,105 | \$25,161 | 48.0% |
| aug | 14 | \$0 | -\$11,299 | \$11,299 | 32 | \$99,546,277 | \$99,521,816 | \$24,462 | 46.2% |
| sep | 13 | \$0 | -\$10,514 | \$10,514 | 31 | \$99,559,355 | \$99,535,597 | \$23,759 | 44.3% |
| oct | 12 | \$0 | -\$9,726  | \$9,726  | 30 | \$99,572,501 | \$99,549,449 | \$23,052 | 42.2% |
| nov | 11 | \$0 | -\$8,934  | \$8,934  | 29 | \$99,585,714 | \$99,563,373 | \$22,341 | 40.0% |
| dec | 10 | \$0 | -\$8,139  | \$8,139  | 28 | \$99,598,996 | \$99,577,369 | \$21,626 | 37.6% |
| jan | 9  | \$0 | -\$7,341  | \$7,341  | 27 | \$99,612,345 | \$99,591,438 | \$20,908 | 35.1% |
| feb | 8  | \$0 | -\$6,539  | \$6,539  | 26 | \$99,625,764 | \$99,605,578 | \$20,186 | 32.4% |
| mar | 7  | \$0 | -\$5,734  | \$5,734  | 25 | \$99,639,252 | \$99,619,792 | \$19,460 | 29.5% |
| apr | 6  | \$0 | -\$4,926  | \$4,926  | 24 | \$99,652,809 | \$99,634,079 | \$18,730 | 26.3% |
| may | 5  | \$0 | -\$4,113  | \$4,113  | 23 | \$99,666,436 | \$99,648,440 | \$17,996 | 22.9% |
| jun | 4  | \$0 | -\$3,298  | \$3,298  | 22 | \$99,680,134 | \$99,662,875 | \$17,258 | 19.1% |
| jul | 3  | \$0 | -\$2,479  | \$2,479  | 21 | \$99,693,902 | \$99,677,385 | \$16,517 | 15.0% |
| aug | 2  | \$0 | -\$1,656  | \$1,656  | 20 | \$99,707,741 | \$99,691,969 | \$15,771 | 10.5% |
| sep | 1  | \$0 | -\$830    | \$830    | 19 | \$99,721,651 | \$99,706,829 | \$15,022 | 5.5%  |
| oct | 0  | \$0 | \$0       | \$0      | 18 | \$99,735,633 | \$99,721,365 | \$14,268 | 0.0%  |

FIG. 92

Swap Benchmark for Swap#19.xls

# EXHIBIT 3 DETAILS SCANNED, # 6

-maturing 11/12/2005 vs CAT Bond 6.90% maturing May 2007  
of the Correlation between Swap and Ratio Hedge Bond

| Actual month-end<br>CP Rate | Using CP at month<br>end - 18 bps | Settlement on<br>Actual | No. of days of<br>accrued interest | Market Yield | Accrued Interest | Adjusted MTM<br>(incl. accrued int.) | Monthly Change<br>Adj. MTM | No. of<br>Months | Computed<br>Bond Value | Actual Yield<br>Swap Yield | Constant<br>Yield Differential | Constant DWT<br>Libor vs CP Swap | Effective<br>Swap Yield | Bond Price<br>Yield Unchanged | Amount of<br>Premium | Bond Value<br>MTM Change |
|-----------------------------|-----------------------------------|-------------------------|------------------------------------|--------------|------------------|--------------------------------------|----------------------------|------------------|------------------------|----------------------------|--------------------------------|----------------------------------|-------------------------|-------------------------------|----------------------|--------------------------|
| 5.76%                       | 5.94%                             | 5+21                    | 5.177%                             | \$0          | \$0              | -\$68,239                            | -\$68,239                  | 100              | 99.4435%               | 5.3500%                    | 0.8350%                        | 0.1000%                          | 6.0850%                 | 99.445%                       | -0.004%              | 129,152                  |
| 5.93%                       | 6.11%                             | 5+20                    | 5.795%                             | \$0          | \$0              | -\$3,476,946                         | -\$3,408,708               | 99               | 99.5789%               | 5.3300%                    | 0.8350%                        | 0.1000%                          | 6.0650%                 | 99.450%                       | -0.004%              | -3,885,085               |
| 6.02%                       | 6.20%                             | 5+19                    | 5.735%                             | \$0          | \$0              | -\$3,119,318                         | \$357,629                  | 98               | 99.6981%               | 5.9500%                    | 0.8350%                        | 0.1000%                          | 6.8500%                 | 99.454%                       | -0.004%              | 272,117                  |
| 6.40%                       | 6.58%                             | 5+18                    | 5.780%                             | \$0          | \$0              | -\$3,378,848                         | -\$259,530                 | 97               | 99.9746%               | 5.9100%                    | 0.8350%                        | 0.1000%                          | 6.8450%                 | 99.458%                       | -0.004%              | -274,603                 |
| 6.53%                       | 6.71%                             | 5+17                    | 6.181%                             | \$0          | \$0              | -\$5,380,450                         | -\$1,990,602               | 96               | 99.7043%               | 5.9800%                    | 0.8350%                        | 0.1000%                          | 6.8950%                 | 99.463%                       | -0.004%              | -2,210,463               |
| 6.49%                       | 6.67%                             | 5+16                    | 6.340%                             | \$0          | \$0              | -\$6,115,915                         | -\$746,465                 | 95               | 92.5178%               | 6.3400%                    | 0.8350%                        | 0.1000%                          | 7.0750%                 | 99.467%                       | -0.004%              | -884,940                 |
| 6.65%                       | 6.83%                             | 5+15                    | 6.600%                             | \$0          | \$0              | -\$7,332,810                         | -\$1,216,895               | 94               | 91.0655%               | 6.5200%                    | 0.8350%                        | 0.1000%                          | 7.2550%                 | 99.471%                       | -0.004%              | -1,458,525               |
| 6.48%                       | 6.66%                             | 5+14                    | 6.890%                             | \$0          | \$0              | -\$7,688,394                         | -\$555,584                 | 93               | 90.3700%               | 6.7900%                    | 0.8350%                        | 0.1000%                          | 7.5250%                 | 99.478%                       | -0.004%              | -889,873                 |
|                             |                                   | 5+13                    | 6.521%                             | \$0          | \$0              | -\$6,795,503                         | \$992,891                  | 92               | 91.5913%               | 6.9300%                    | 0.8350%                        | 0.1000%                          | 7.6650%                 | 99.480%                       | -0.004%              | 1,216,808                |
|                             |                                   | 5+12                    | 6.475%                             | \$0          | \$0              | -\$6,498,778                         | \$296,725                  | 91               | 92.0425%               | 6.7200%                    | 0.8350%                        | 0.1000%                          | 7.4350%                 | 99.485%                       | -0.004%              | 446,704                  |
|                             |                                   | 5+11                    | 6.580%                             | \$0          | \$0              | -\$6,994,406                         | -\$495,620                 | 90               | 91.4600%               | 6.7700%                    | 0.8350%                        | 0.1000%                          | 7.5050%                 | 99.484%                       | -0.004%              | -586,935                 |
|                             |                                   | 5+10                    | 6.833%                             | \$0          | \$0              | -\$8,280,526                         | -\$1,286,120               | 89               | 90.0503%               | 7.0500%                    | 0.8350%                        | 0.1000%                          | 7.7850%                 | 99.488%                       | -0.005%              | -1,414,252               |
|                             |                                   | 5+9                     | 7.318%                             | \$0          | \$0              | -\$10,080,361                        | -\$1,799,639               | 88               | 88.0820%               | 7.4500%                    | 0.8350%                        | 0.1000%                          | 8.1850%                 | 99.503%                       | -0.005%              | -1,972,823               |
|                             |                                   | 18                      |                                    | \$23,671     | \$23,671         | -\$4,087,186                         | -\$286,265                 | 86               | 88.6968%               | 7.3500%                    | 0.8350%                        | 0.1000%                          | 8.0850%                 | 99.507%                       | -0.005%              | 600,266                  |
|                             |                                   | 47                      |                                    | \$47,644     | \$47,644         | -\$3,638,579                         | \$428,607                  | 85               | 89.3888%               | 7.2300%                    | 0.8350%                        | 0.1000%                          | 7.9650%                 | 99.512%                       | -0.005%              | 887,408                  |
|                             |                                   | 77                      |                                    | \$59,068     | \$59,068         | -\$4,238,174                         | -\$598,598                 | 84               | 88.8328%               | 7.3600%                    | 0.8350%                        | 0.1000%                          | 8.0950%                 | 99.516%                       | -0.005%              | -560,844                 |
|                             |                                   | 108                     |                                    | -\$29,589    | -\$29,589        | -\$5,001,049                         | -\$762,874                 | 83               | 87.7086%               | 7.8100%                    | 0.8350%                        | 0.1000%                          | 8.3450%                 | 99.521%                       | -0.005%              | -1,128,849               |
|                             |                                   | 138                     |                                    | -\$86,959    | -\$86,959        | -\$3,215,248                         | \$1,785,903                | 82               | 89.7684%               | 7.2100%                    | 0.8350%                        | 0.1000%                          | 7.9450%                 | 99.528%                       | -0.005%              | 2,056,146                |
|                             |                                   | 169                     |                                    | -\$87,873    | -\$87,873        | -\$3,032,563                         | \$182,683                  | 81               | 89.9617%               | 7.1800%                    | 0.8350%                        | 0.1000%                          | 7.9250%                 | 99.535%                       | -0.005%              | 187,882                  |
|                             |                                   | 200                     |                                    | -\$93,151    | -\$93,151        | -\$2,051,584                         | \$900,979                  | 80               | 91.3301%               | 6.9300%                    | 0.8350%                        | 0.1000%                          | 7.6650%                 | 99.538%                       | -0.005%              | 1,363,638                |
|                             |                                   | 230                     |                                    | -\$115,315   | -\$115,315       | -\$1,331,419                         | \$720,165                  | 79               | 92.0525%               | 6.8000%                    | 0.8350%                        | 0.1000%                          | 7.5350%                 | 99.540%                       | -0.005%              | 717,703                  |
|                             |                                   | 261                     |                                    | -\$125,645   | -\$125,645       | -\$1,255,358                         | \$76,061                   | 78               | 92.2553%               | 6.7745%                    | 0.8350%                        | 0.1000%                          | 7.5095%                 | 99.545%                       | -0.005%              | 198,052                  |

Hypothetical Market Yield  
Source: (Historical Yield  
curve) - adjusted for the  
no. of months  
i.e. 3yr + 5 months.  
Subtracted 18bp -  
diff between Libor & CP

SCANNED, # 6

Exhibit 3 Details

| Exhibits  | 24                         | 25                          | 26   | 27   | 28                            |   |                                     |  |                |
|-----------|----------------------------|-----------------------------|--|--|-------------------------------|---|-------------------------------------|--|----------------|
|           | Bond Value<br>Mthly Change | Compensatory<br>Hedge Ratio | Hedged Bond<br>MTM mthly change<br>(24-26) | aver. x<br>Life-to-date<br>Hedged Bond<br>MTM mthly change | Y<br>Swap MTM<br>Mthly Change | Ineffective<br>Portion of<br>Swap MTM<br>(26-27)<br>Y minus X | Square of<br>Total Deviation<br>SST | Square of<br>Unexplained Dev<br>(Ineffect. portion)<br>SSE | r <sup>2</sup> |
| 31-Jan-99 | \$129,152.26               | 88.9%                       | 114,775                                    | 114,775  | -\$68,239                     | 183,014   | 33,494,082,217                      | 33,494,082,217   | 0.0%           |
|           | -\$3,885,065.11            | 88.6%                       | -3,443,390                                 | -1,664,307   | -\$3,408,708                  | -34,682   | 5,590,368,511,544                   | 1,202,825,875  | 99.4%          |
|           | \$272,116.63               | 88.4%                       | 240,525                                    | -1,028,363   | \$357,629                     | -117,103  | 8,508,787,459,252                   | 13,713,151,144   | 99.4%          |
| apr       | -\$274,603.02              | 88.1%                       | -242,050                                   | -832,535   | -\$259,530                    | 17,480  | 8,965,638,921,354                   | 305,550,849  | 99.5%          |
|           | -\$2,210,462.81            | 87.9%                       | -1,942,913                                 | -1,054,610   | -\$1,990,602                  | 47,689  | 10,017,355,557,819                  | 2,274,239,706  | 99.5%          |
|           | -\$984,940.21              | 87.6%                       | -863,226                                   | -1,022,713   | -\$746,465                    | -116,760  | 10,104,905,247,299                  | 13,632,971,273   | 99.4%          |
| Jul       | -\$1,456,525.10            | 87.4%                       | -1,272,771                                 | -1,058,436   | -\$1,216,895                  | -55,876   | 10,139,128,053,220                  | 3,122,163,284  | 99.3%          |
|           | -\$699,972.65              | 87.1%                       | -609,823                                   | -1,002,359   | -\$355,584                    | -254,239  | 10,570,905,440,040                  | 64,637,569,666   | 98.7%          |
|           | \$1,216,905.70             | 86.9%                       | 1,056,920                                  | -773,550   | \$892,891                     | 164,029   | 13,615,528,055,091                  | 26,905,452,573   | 98.8%          |
| oct       | \$446,704.08               | 86.6%                       | 386,757                                    | -657,520   | \$296,725                     | 90,032  | 14,608,652,245,315                  | 8,105,749,570  | 98.9%          |
|           | -\$586,934.93              | 86.3%                       | -506,536                                   | -643,784   | -\$495,628                    | -10,808   | 14,630,391,511,658                  | 118,984,295  | 98.9%          |
|           | -\$1,414,251.55            | 86.0%                       | -1,216,516                                 | -691,521   | -\$1,286,120                  | 69,604  | 15,017,331,881,621                  | 4,844,741,921  | 98.9%          |
| Jan 2000  | -\$1,972,824.61            | 85.7%                       | -1,691,287                                 | -768,426   | -\$1,799,835                  | 108,547   | 16,154,834,795,302                  | 11,762,547,084   | 98.9%          |
|           | \$600,266.50               | 85.4%                       | 512,834                                    | -676,907   | -\$288,265                    | 801,099   | 16,431,385,344,032                  | 641,759,598,874  | 95.0%          |
|           | \$697,408.08               | 85.1%                       | 593,728                                    | -592,198   | \$428,607                     | 165,121   | 17,724,986,288,322                  | 27,264,812,868   | 95.2%          |
| apr       | -\$560,843.81              | 84.8%                       | -475,575                                   | -584,909   | -\$599,596                    | 124,021   | 17,741,418,480,487                  | 15,361,221,905   | 95.1%          |
|           | -\$1,128,849.08            | 84.5%                       | -954,028                                   | -606,822   | -\$762,874                    | -191,151  | 17,722,088,018,870                  | 36,538,798,199   | 94.9%          |
|           | \$2,056,145.66             | 84.2%                       | 1,731,133                                  | -476,747   | \$1,785,803                   | -54,669   | 23,385,088,665,512                  | 2,988,746,111  | 96.1%          |
| Jul       | \$187,682.07               | 83.9%                       | 157,402                                    | -443,370   | \$182,683                     | -25,281   | 23,858,522,711,161                  | 639,115,931  | 96.2%          |
|           | \$1,363,626.40             | 83.5%                       | 1,139,069                                  | -364,248   | \$980,979                     | 158,089   | 25,932,101,749,143                  | 24,992,276,858   | 96.4%          |
|           | \$717,703.15               | 83.2%                       | 597,084                                    | -318,472   | \$720,165                     | -123,101  | 27,150,563,245,770                  | 15,153,930,847   | 96.5%          |
| oct       | \$198,051.86               | 82.8%                       | 164,070                                    | -296,538   | \$76,081                      | 88,009  | 27,340,848,483,073                  | 7,745,651,707  | 96.5%          |

FIG. 11

# EXHIBIT 4 DETAILS

SG swap#18 - maturing 7/15/2006 vs CAT Bond 7.25% maturing September 2009

## Calculation of the Compensatory Hedge Ratio

Compensatory Hedge Ratio  
obtained by dividing Swap PV of 1BP  
by Bond PV of 1 BP

| Swap Notional \$100,000,000 |      |      |              |                  | Bond (nominal) : \$100,000,000     |               |               |            |                          |
|-----------------------------|------|------|--------------|------------------|------------------------------------|---------------|---------------|------------|--------------------------|
| Receive Rate 6.578%         |      |      |              |                  | Bond (coupon interest rate): 7.25% |               |               |            |                          |
| Initial pay rate 6.578%     |      |      |              |                  | Adj. pay rate 6.588%               |               |               |            |                          |
| No. of Months               | Swap | Swap | PV of Profit | V of Adj. Profit | No. of Months                      | Bond Yield    | Bond Yield    | PV of 1 BP | Compensatory Hedge Ratio |
|                             |      |      |              |                  |                                    |               |               |            |                          |
| 30-Sep-99                   |      |      |              |                  |                                    |               |               |            |                          |
| oct                         | 81   | \$0  | -\$54,921    | \$54,921         | 119                                | \$100,709,823 | \$100,637,839 | \$71,574   | 78.7%                    |
| nov                         | 80   | \$0  | -\$54,389    | \$54,389         | 118                                | \$100,705,803 | \$100,634,229 | \$71,162   | 78.4%                    |
| dec                         | 79   | \$0  | -\$53,854    | \$53,854         | 117                                | \$100,701,759 | \$100,630,597 | \$70,747   | 76.1%                    |
| jan 2000                    | 78   | \$0  | -\$53,316    | \$53,316         | 116                                | \$100,697,690 | \$100,626,943 | \$70,330   | 75.8%                    |
| feb                         | 77   | \$0  | -\$52,775    | \$52,775         | 115                                | \$100,693,598 | \$100,623,268 | \$69,911   | 75.5%                    |
| mar                         | 76   | \$0  | -\$52,231    | \$52,231         | 114                                | \$100,689,481 | \$100,619,570 | \$69,489   | 75.2%                    |
| apr                         | 75   | \$0  | -\$51,684    | \$51,684         | 113                                | \$100,685,340 | \$100,615,851 | \$69,065   | 74.8%                    |
| may                         | 74   | \$0  | -\$51,134    | \$51,134         | 112                                | \$100,681,174 | \$100,612,110 | \$68,638   | 74.5%                    |
| jun                         | 73   | \$0  | -\$50,580    | \$50,580         | 111                                | \$100,676,983 | \$100,608,346 | \$68,208   | 74.2%                    |
| jul                         | 72   | \$0  | -\$50,024    | \$50,024         | 110                                | \$100,672,768 | \$100,604,559 | \$67,777   | 73.8%                    |
| aug                         | 71   | \$0  | -\$49,465    | \$49,465         | 109                                | \$100,668,527 | \$100,600,750 | \$67,342   | 73.5%                    |
| sep                         | 70   | \$0  | -\$48,903    | \$48,903         | 108                                | \$100,664,261 | \$100,596,919 | \$66,905   | 73.1%                    |
| oct                         | 69   | \$0  | -\$48,338    | \$48,338         | 107                                | \$100,659,969 | \$100,593,064 | \$66,466   | 72.7%                    |
| nov                         | 68   | \$0  | -\$47,769    | \$47,769         | 106                                | \$100,655,652 | \$100,589,186 | \$66,023   | 72.4%                    |
| dec                         | 67   | \$0  | -\$47,198    | \$47,198         | 105                                | \$100,651,309 | \$100,585,286 | \$65,579   | 72.0%                    |
| jan 2001                    | 66   | \$0  | -\$46,623    | \$46,623         | 104                                | \$100,646,940 | \$100,581,362 | \$65,131   | 71.6%                    |
| feb                         | 65   | \$0  | -\$46,045    | \$46,045         | 103                                | \$100,642,546 | \$100,577,414 | \$64,681   | 71.2%                    |
| mar                         | 64   | \$0  | -\$45,464    | \$45,464         | 102                                | \$100,638,125 | \$100,573,443 | \$64,229   | 70.8%                    |
| apr                         | 63   | \$0  | -\$44,880    | \$44,880         | 101                                | \$100,633,677 | \$100,569,449 | \$63,773   | 70.4%                    |
| may                         | 62   | \$0  | -\$44,293    | \$44,293         | 100                                | \$100,629,204 | \$100,565,430 | \$63,315   | 70.0%                    |
| jun                         | 61   | \$0  | -\$43,702    | \$43,702         | 99                                 | \$100,624,703 | \$100,561,388 | \$62,854   | 69.5%                    |
| jul                         | 60   | \$0  | -\$43,109    | \$43,109         | 98                                 | \$100,620,176 | \$100,557,321 | \$62,391   | 69.1%                    |
| aug                         | 59   | \$0  | -\$42,512    | \$42,512         | 97                                 | \$100,615,621 | \$100,553,230 | \$61,925   | 68.7%                    |
| sep                         | 58   | \$0  | -\$41,911    | \$41,911         | 96                                 | \$100,611,040 | \$100,549,115 | \$61,456   | 68.2%                    |
| oct                         | 57   | \$0  | -\$41,308    | \$41,308         | 95                                 | \$100,606,431 | \$100,544,975 | \$60,984   | 67.7%                    |
| nov                         | 56   | \$0  | -\$40,701    | \$40,701         | 94                                 | \$100,601,795 | \$100,540,811 | \$60,510   | 67.3%                    |
| dec                         | 55   | \$0  | -\$40,091    | \$40,091         | 93                                 | \$100,597,131 | \$100,536,621 | \$60,033   | 66.8%                    |
| jan                         | 54   | \$0  | -\$39,477    | \$39,477         | 92                                 | \$100,592,440 | \$100,532,407 | \$59,553   | 66.3%                    |
| feb                         | 53   | \$0  | -\$38,860    | \$38,860         | 91                                 | \$100,587,720 | \$100,528,168 | \$59,070   | 65.8%                    |
| mar                         | 52   | \$0  | -\$38,240    | \$38,240         | 90                                 | \$100,582,973 | \$100,523,903 | \$58,584   | 65.3%                    |
| apr                         | 51   | \$0  | -\$37,616    | \$37,616         | 89                                 | \$100,578,197 | \$100,519,612 | \$58,096   | 64.7%                    |
| may                         | 50   | \$0  | -\$36,989    | \$36,989         | 88                                 | \$100,573,392 | \$100,515,297 | \$57,604   | 64.2%                    |
| jun                         | 49   | \$0  | -\$36,358    | \$36,358         | 87                                 | \$100,568,559 | \$100,510,955 | \$57,110   | 63.7%                    |
| jul                         | 48   | \$0  | -\$35,724    | \$35,724         | 86                                 | \$100,563,697 | \$100,506,587 | \$56,613   | 63.1%                    |
| aug                         | 47   | \$0  | -\$35,087    | \$35,087         | 85                                 | \$100,558,806 | \$100,502,194 | \$56,112   | 62.5%                    |
| sep                         | 46   | \$0  | -\$34,446    | \$34,446         | 84                                 | \$100,553,886 | \$100,497,774 | \$55,609   | 61.9%                    |
| oct                         | 45   | \$0  | -\$33,801    | \$33,801         | 83                                 | \$100,548,937 | \$100,493,328 | \$55,103   | 61.3%                    |
| nov                         | 44   | \$0  | -\$33,153    | \$33,153         | 82                                 | \$100,543,958 | \$100,488,855 | \$54,594   | 60.7%                    |
| dec                         | 43   | \$0  | -\$32,501    | \$32,501         | 81                                 | \$100,538,950 | \$100,484,356 | \$54,082   | 60.1%                    |
| jan                         | 42   | \$0  | -\$31,846    | \$31,846         | 80                                 | \$100,533,912 | \$100,479,829 | \$53,567   | 59.5%                    |
| feb                         | 41   | \$0  | -\$31,187    | \$31,187         | 79                                 | \$100,528,843 | \$100,475,276 | \$53,049   | 58.8%                    |
| mar                         | 40   | \$0  | -\$30,525    | \$30,525         | 78                                 | \$100,523,745 | \$100,470,696 | \$52,528   | 58.1%                    |
| apr                         | 39   | \$0  | -\$29,859    | \$29,859         | 77                                 | \$100,518,616 | \$100,466,088 | \$52,004   | 57.4%                    |
| may                         | 38   | \$0  | -\$29,189    | \$29,189         | 76                                 | \$100,513,456 | \$100,461,453 | \$51,477   | 56.7%                    |
| jun                         | 37   | \$0  | -\$28,516    | \$28,516         | 75                                 | \$100,508,268 | \$100,456,790 | \$50,946   | 56.0%                    |
| jul                         | 36   | \$0  | -\$27,839    | \$27,839         | 74                                 | \$100,503,045 | \$100,452,099 | \$50,413   | 55.2%                    |
| aug                         | 35   | \$0  | -\$27,158    | \$27,158         | 73                                 | \$100,497,793 | \$100,447,380 | \$49,876   | 54.5%                    |
| sep                         | 34   | \$0  | -\$26,474    | \$26,474         | 72                                 | \$100,492,509 | \$100,442,633 | \$49,336   | 53.7%                    |
| oct                         | 33   | \$0  | -\$25,786    | \$25,786         | 71                                 | \$100,487,194 | \$100,437,858 | \$48,793   | 52.8%                    |
| nov                         | 32   | \$0  | -\$25,094    | \$25,094         | 70                                 | \$100,481,847 | \$100,433,054 | \$48,247   | 52.0%                    |
| dec                         | 31   | \$0  | -\$24,398    | \$24,398         | 69                                 | \$100,476,469 | \$100,428,222 | \$47,698   | 51.2%                    |
| jan                         | 30   | \$0  | -\$23,698    | \$23,698         | 68                                 | \$100,471,058 | \$100,423,360 | \$47,145   | 50.3%                    |
| feb                         | 29   | \$0  | -\$22,995    | \$22,995         | 67                                 | \$100,465,615 | \$100,418,470 | \$46,589   | 49.4%                    |
| mar                         | 28   | \$0  | -\$22,287    | \$22,287         | 66                                 | \$100,460,140 | \$100,413,551 | \$46,030   | 48.4%                    |
| apr                         | 27   | \$0  | -\$21,576    | \$21,576         | 65                                 | \$100,454,632 | \$100,408,602 | \$45,468   | 47.5%                    |
| may                         | 26   | \$0  | -\$20,861    | \$20,861         | 64                                 | \$100,449,091 | \$100,403,624 | \$44,902   | 46.5%                    |
| jun                         | 25   | \$0  | -\$20,142    | \$20,142         | 63                                 | \$100,443,517 | \$100,398,616 | \$44,333   | 45.4%                    |
| jul                         | 24   | \$0  | -\$19,419    | \$19,419         | 62                                 | \$100,437,910 | \$100,393,578 | \$43,760   | 44.4%                    |
| aug                         | 23   | \$0  | -\$18,692    | \$18,692         | 61                                 | \$100,432,270 | \$100,388,510 | \$43,185   | 43.3%                    |
|                             |      | \$0  | -\$17,962    | \$17,962         |                                    | \$100,426,596 | \$100,383,411 | \$42,605   | 42.2%                    |
|                             |      |      |              |                  |                                    | \$100,420,888 | \$100,378,283 |            |                          |

FIG. 12A

Swap Benchmark for Swap#18 vs

# EXHIBIT 4 DETAILS

|     |    |     |           |          |    |               |               |          |       |
|-----|----|-----|-----------|----------|----|---------------|---------------|----------|-------|
| sep | 22 | \$0 | -\$17,227 | \$17,227 | 60 | \$100,415,146 | \$100,373,123 | \$42,023 | 41.0% |
| oct | 21 | \$0 | -\$16,488 | \$16,488 | 59 | \$100,409,370 | \$100,367,933 | \$41,437 | 39.8% |
| nov | 20 | \$0 | -\$15,745 | \$15,745 | 58 | \$100,403,560 | \$100,362,712 | \$40,847 | 38.5% |
| dec | 19 | \$0 | -\$14,998 | \$14,998 | 57 | \$100,397,714 | \$100,357,460 | \$40,254 | 37.3% |
| jan | 18 | \$0 | -\$14,247 | \$14,247 | 56 | \$100,391,835 | \$100,352,177 | \$39,658 | 35.9% |
| feb | 17 | \$0 | -\$13,491 | \$13,491 | 55 | \$100,385,920 | \$100,346,862 | \$39,058 | 34.5% |
| mar | 16 | \$0 | -\$12,732 | \$12,732 | 54 | \$100,379,969 | \$100,341,515 | \$38,454 | 33.1% |
| apr | 15 | \$0 | -\$11,968 | \$11,968 | 53 | \$100,373,984 | \$100,336,136 | \$37,847 | 31.6% |
| may | 14 | \$0 | -\$11,201 | \$11,201 | 52 | \$100,367,962 | \$100,330,725 | \$37,237 | 30.1% |
| jun | 13 | \$0 | -\$10,429 | \$10,429 | 51 | \$100,361,905 | \$100,325,282 | \$36,623 | 28.5% |
| jul | 12 | \$0 | -\$9,653  | \$9,653  | 50 | \$100,355,812 | \$100,319,807 | \$36,005 | 26.8% |
| aug | 11 | \$0 | -\$8,872  | \$8,872  | 49 | \$100,349,682 | \$100,314,299 | \$35,383 | 25.1% |
| sep | 10 | \$0 | -\$8,088  | \$8,088  | 48 | \$100,343,516 | \$100,308,757 | \$34,758 | 23.3% |
| oct | 9  | \$0 | -\$7,299  | \$7,299  | 47 | \$100,337,313 | \$100,303,183 | \$34,130 | 21.4% |
| nov | 8  | \$0 | -\$6,505  | \$6,505  | 46 | \$100,331,073 | \$100,297,576 | \$33,497 | 19.4% |
| dec | 7  | \$0 | -\$5,708  | \$5,708  | 45 | \$100,324,796 | \$100,291,935 | \$32,861 | 17.4% |
| jan | 6  | \$0 | -\$4,905  | \$4,905  | 44 | \$100,318,481 | \$100,286,260 | \$32,221 | 15.2% |
| feb | 5  | \$0 | -\$4,099  | \$4,099  | 43 | \$100,312,129 | \$100,280,552 | \$31,577 | 13.0% |
| mar | 4  | \$0 | -\$3,288  | \$3,288  | 42 | \$100,305,739 | \$100,274,810 | \$30,930 | 10.6% |
| apr | 3  | \$0 | -\$2,473  | \$2,473  | 41 | \$100,299,311 | \$100,269,033 | \$30,278 | 8.2%  |
| may | 2  | \$0 | -\$1,653  | \$1,653  | 40 | \$100,292,845 | \$100,263,222 | \$29,623 | 5.6%  |
| jun | 1  | \$0 | -\$829    | \$829    | 39 | \$100,286,340 | \$100,257,376 | \$28,964 | 2.9%  |
| jul | 0  | \$0 | \$0       | \$0      | 38 | \$100,279,796 | \$100,251,495 | \$28,301 | 0.0%  |

FIG. 12B

Swap Benchmark for Swap#18.xls

# Exhibit 4 Details

005101-31932200

SG swap# 18 - maturing 7/15/2008 vs CFI Bond 7.25% maturing September 2009

Calculation of the Correlation between Swap and Ratio Hedge Bond

| 11                             | 12                             | 13  | 14                          | 15   | 16  | 17           | 18               | 19                                   | 20                         |                  |                        |                            |                                |                                    |                         |                                 |                     |                            |
|--------------------------------|--------------------------------|---|-----------------------------|--|---|--------------|------------------|--------------------------------------|----------------------------|------------------|------------------------|----------------------------|--------------------------------|------------------------------------|-------------------------|---------------------------------|---------------------|----------------------------|
| Swap Notional<br>Positive Rate | Swap Notional<br>Negative Rate | Hypothetical Rate<br>(Per Counterparty)<br>Swap MTN | Actual month-end<br>CP Rate | Using CP at month<br>end + 18 day<br>Actual<br>Floating Rate | Settlement on<br>No. of days of<br>accrued interest | Market Yield | Accrued Interest | Adjusted MTN<br>(level accrued int.) | Monthly Change<br>Adj. MTN | No. of<br>Months | Computed<br>Bond Value | Actual Libor<br>Swap Yield | Constant<br>Yield Differential | Constant Diff.<br>Libor vs CP Swap | Effective<br>Swap Yield | Bond Price<br>(Yield Unchanged) | Amort of<br>Premium | Bond Value<br>Mthly Change |
| 30-Sep-99                      |                                |   |                             |  |   | 6.576%       | \$0              | \$0                                  | \$0                        | 120              | 101.4250%              | 6.8300%                    | 0.3210%                        | 0.1000%                            | 7.0510%                 | 101.425%                        | 0.000%              | 0                          |
| 30-Sep-99                      |                                | \$0   |                             |  |   | 6.516%       | \$0              | \$333.504                            | \$333.504                  | 120              | 101.4250%              | 6.8300%                    | 0.3210%                        | 0.1000%                            | 7.0510%                 | 101.425%                        | 0.000%              | 600.463                    |
|                                |                                | \$333.504   |                             |  |   | 6.627%       | \$0              | \$294.555                            | \$333.504                  | 119              | 102.0173%              | 6.8476%                    | 0.3210%                        | 0.1000%                            | 6.9877%                 | 101.417%                        | 0.006%              | -1,503.827                 |
|                                |                                | \$294.555   |                             |  |   | 6.923%       | \$0              | \$1,824.166                          | \$294.555                  | 118              | 100.5054%              | 6.9572%                    | 0.3210%                        | 0.1000%                            | 7.1782%                 | 101.409%                        | 0.006%              | -1,273.266                 |
| dec                            |                                | \$1,824.166   |                             |  |   | 7.337%       | \$0              | \$3,918.538                          | \$1,824.166                | 117              | 99.2228%               | 7.1409%                    | 0.3210%                        | 0.1000%                            | 7.3618%                 | 101.400%                        | 0.006%              | -2,320.774                 |
|                                |                                | \$3,918.538   |                             |  |   | 7.238%       | \$0              | \$3,381.203                          | \$3,918.538                | 116              | 96.8947%               | 7.4656%                    | 0.3210%                        | 0.1000%                            | 7.7065%                 | 101.392%                        | 0.006%              | 636.938                    |
|                                |                                | \$3,381.203   |                             |  |   | 7.124%       | \$0              | \$2,779.125                          | \$3,381.203                | 115              | 97.5232%               | 7.3939%                    | 0.3210%                        | 0.1000%                            | 7.6149%                 | 101.383%                        | 0.006%              | 1,027.407                  |
| mar                            |                                | \$2,779.125   |                             |  |   | 7.259%       | \$0              | \$3,413.984                          | \$2,779.125                | 114              | 96.5422%               | 7.3437%                    | 0.3210%                        | 0.1000%                            | 7.5983%                 | 101.375%                        | 0.006%              | -871.258                   |
|                                |                                | \$3,413.984   |                             |  |   | 7.105%       | \$0              | \$4,579.874                          | \$3,413.984                | 113              | 96.1324%               | 7.3773%                    | 0.3210%                        | 0.1000%                            | 7.8324%                 | 101.368%                        | 0.006%              | 2,472.573                  |
| jun                            |                                | \$4,579.874   |                             |  |   | 7.070%       | \$0              | \$2,616.298                          | \$4,579.874                | 112              | 96.1644%               | 7.2385%                    | 0.3210%                        | 0.1000%                            | 7.4575%                 | 101.349%                        | 0.006%              | 104.775                    |
|                                |                                | \$2,616.298   |                             |  |   | 6.927%       | \$0              | \$2,402.537                          | \$2,616.298                | 111              | 98.7125%               | 7.2232%                    | 0.3210%                        | 0.1000%                            | 7.1639%                 | 101.323%                        | 0.006%              | 1,736.237                  |
|                                |                                | \$2,402.537   |                             |  |   | 6.822%       | \$0              | \$1,186.585                          | \$2,402.537                | 110              | 100.4401%              | 6.9699%                    | 0.3210%                        | 0.1000%                            | 7.0510%                 | 101.323%                        | 0.006%              | 624.274                    |
| sep                            |                                | \$1,186.585   |                             |  |   | 6.677%       | \$0              | \$480.605                            | \$1,186.585                | 109              | 101.0556%              | 6.9300%                    | 0.3210%                        | 0.1000%                            | 7.0510%                 | 101.323%                        | 0.006%              | 267.892                    |
|                                |                                | \$480.605   |                             |  |   |              | \$0              | \$1,974.854                          | \$480.605                  | 108              | 101.3145%              | 6.8300%                    | 0.3210%                        | 0.1000%                            | 7.0510%                 | 101.314%                        | 0.006%              |                            |
| -2,168.382                     |                                | \$2,100.078   | 6.46%                       | 6.65%  | 108   |              | \$125.224        |                                      |                            |                  |                        |                            |                                |                                    |                         |                                 |                     |                            |

FIG. 13

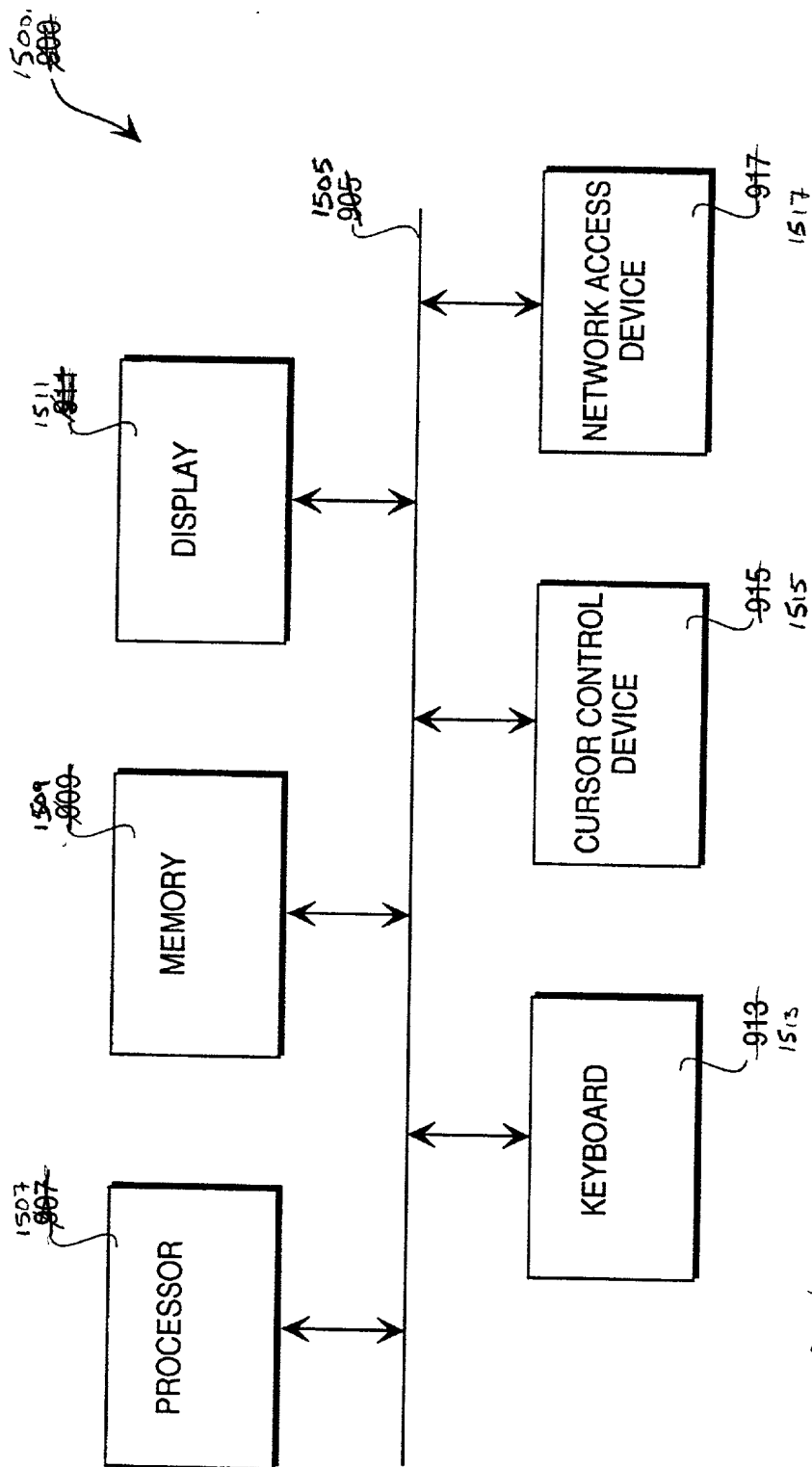
Swap Settlement for Swap 18.xls

EXHIBIT 41 DETAILS

**Exhibit 2**

## Swap Benchmark for Swap#10.xls





**FIG. 15**